

A bill for an act

relating to energy; modifying programs for reducing emissions at electric generating plants; amending Minnesota Statutes 2008, sections 216B.1692, subdivision 8; 216B.685, subdivision 4.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2008, section 216B.1692, subdivision 8, is amended to read:

Subd. 8. **Sunset.** This section is effective until December 31, ~~2013~~ 2015, and applies to plans, projects, and riders approved before that date and modifications made to them after that date.

Sec. 2. Minnesota Statutes 2008, section 216B.685, subdivision 4, is amended to read:

Subd. 4. **Equipment replacement; deadline extensions.** (a) Unless the utility proposes to do so, the commission may not require the replacement of existing pollution control equipment at a targeted or supplemental unit as a condition for approving a plan pursuant to this section or section 216B.6851.

(b) The commission may allow a utility up to two extensions of any deadline established under sections 216B.68 to 216B.688 or commission order under those sections, if the utility demonstrates the unavailability of necessary equipment or other extraordinary circumstances. An extension under this paragraph may last no longer than 12 months. The commission may not extend a deadline for final installation of pollution control equipment for longer than 12 months.

(c) In addition to extensions authorized in paragraph (b), the commission may allow a utility an extension of any deadline established under section 216B.6851 for a

period of time the commission finds is necessary to enable a utility to coordinate in the most cost-effective manner the installation of pollution control equipment required by section 216B.6851 and other federal and state laws, including future laws the commission determines would be prudent to anticipate. The commission must consider the increase in emissions that would occur because of an extension in its consideration of whether to grant an extension.

(d) A utility requesting an extension under paragraph (c) must provide by July 1 of each year of an extension granted under paragraph (c) to the Public Utilities Commission and the Pollution Control Agency a study reporting on mercury control plans at units subject to this section, along with all contemporaneous emission controls integral to these mercury control plans.

In addition, the utility shall provide an assessment of the financial, customer cost, and operational impacts of pending regulations the commissioner determined prudent to anticipate under paragraph (c) for the utility's coal-fired power plants and provide a range of regulatory response scenarios that include, but are not limited to:

(1) the installation of pollution control equipment;  
(2) the use of pollution allowances to achieve compliance; and  
(3) describing the impacts of the planned mercury and contemporaneous emission controls on the unit's service life.

The utility shall consult with interested stakeholders in establishing the scope of the regulatory, financial, and operational assessments.